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SYSTEMS OF FUNDING TRAINING IN AFRICA

A REPORT ON A STUDY OF EXPERIENCE IN FOUR AFRICAN COUNTRIES:

KENYA, SWAZILAND, ZAMBIA AND NIGERIA

SYSTEMS OF FUNDING TRAINING IN AFRICA

I. Introduction:

Training and staff development are today recognized as indispensable activities for any organizations which seeks to acquire new technology and to achieve its goals with efficiency and further development. But training is expensive and many organizations find it difficult to make available sufficient funds to make it possible for training to be undertaken on a permanent and continuous basis. In this regard it is common knowledge that in exercising austerity measures in many countries the training vote is quite often the first casualty.

In every country there is some mobility of employee from one employer to another. While some employers spend large sums of money on training, there are others who do not and instead develop the unfair practice of poaching trained personnel from other fellow employers. This is why a number of countries have explored ways of generating, from the consumers of human resources within the country, funds specifically for training.

Some countries have sought to achieve this by the introduction of a national training levy systems whereby employers pay into a central fund. Contributions are normally based on an agreed formular. While a portion of the Fund is used to reimburse those proven to have incurred costs on training their staff, the remaining portion is used to develop the infra-structure of existing and new training centres, related training equipment and other facilities required by member organizations.

Other countries operate a system where funds certified as having been spent on approved training are deductable from the organization tax liability thereby providing the necessary incentive for training. It is therefore important to assemble information on the operation of these systems in countries where they exist in order to examine the possibility of wider application. This is the central aim of this study.

II. Terms of Reference

1. The study was designed to achieve the following main objectives:

   (a) Identification of programmed financial resource generating systems and strategies for training existing in the countries visited.

   (b) Analysis of the organization, resources and operational processes through which those resource generating strategies are expected to achieve the objectives.

(c) An evaluation of the systems and their operation revealing:

i) The merits and demerits of each system identified;

ii) Any operational weaknesses and deficiencies hampering the effectiveness of these systems.

(d) Assessment of the overall impact of the system on the training of personnel in each of the countries visited.

(e) Establishment of the feasibility of applying identified and evaluated systems in other countries of the African Region.

2. The study through this evaluation was thus to:

(a) Reveal and indicate ways and means of improving the operations of existing systems and strategies so that they may more efficiently and effectively serve the needs of training and development in the countries visited; and,

(b) Show how best such systems can be initiated in other African countries where such systems and strategies do not formally exist.

3. In presenting the study, this report present specific findings and recommendations on:

(a) Suitability of specific systems e.g. the levy system in meeting the funding needs of training in countries visited.

(b) The importance of Government intervention in introducing specific systems and strategies for raising funds for enhancing training activities.

(c) The institutional arrangements for collecting training funds and the role of such arrangements in encouraging the training activity.

(d) The role played by employers' organizations in the management of such schemes.

(e) The role played by specific schemes in the localization of personnel.

(f) The possible use of the funds collected in educating contribution organizations on the importance of training and staff development, developing trainers, and overcoming ignorance, apathy and indifference to training.

(g) Any other relevant issues that were revealed during the study.

4. A draft/specimen 'Guidelines for the establishment and operation of a national levy scheme', and similar guidelines for such other systems.

SYSTEMS OF FUNDING TRAINING IN AFRICA

I. OVERVIEW

1. Background

1.1 ECA mandate to support training

It is part of the ECA mandate to find ways and means of accelerating the training of the increasingly greater numbers of personnel needed to carry out the activities involved in the promotion of social and ecnomic development of the African region. It is important that such training should be sustained at the level required to meet established needs both in quantity and quality. However, training is an expensive activity, as Governments well recognize, since they spend a large portion of their budgets on personnel. During hard economic times, employers, both in the public and private sectors find training one of the easiest areas where reduction of expenses can be exercised. Hence training rapidly suffers an immediate decline.

1.2 Reasons for studying existing funding systems

In order to reduce such declines in the funding of training activity, Governments have recommended that systems of mobilizing adequate financial resources be instituted. ECA is seeking for ways and means by which Member States can most effectively create central training funds so that they may, even in times of economic instability or crisis, be able to sustain the flow of funds to their training programmes and hence continue to promote a steady and adequate supply of properly trained manpower for all the sectors of the economy. As a starting point, ECA has decided to study existing fund raising systems, examine how successfully they have been in achieving their objectives, suggest how they might be improved upon, and propagate the information gathered to those countries that do not have any or similar systems, in the hope that they too will see the advantages of instituting fund-raising schemes in the interests of regulated and systematic manpower development.

2. Countries visited during this study

For the purpose of this study, during May/June 1983, a mission was sent to four countries: Kenya, Swaziland, Zambia and Nigeria (this is the order in which the mission was undertaken). Nigeria and Kenya have had operational Industrial Training Levy systems initiated by Acts enacted in 1971. Swaziland passed a Training and Vocational Training Act in 1983. It includes sections on the introduction of a training levy systems, but at the time of the preparation of this report none of the provisions of the Act had become operational yet. In Zambia, disucssions on introducing a training levy scheme have been taking place at various levels, but no concrete action has been initiated yet. Fuller accounts of observations in the countries visited are given in subsequent sections of this report.

3. Systems observed

During themission, it was observed that apart from the normal budgetary allocations by government departments and private sector opeganization, the only significant system existing for raising contributions towards a central fund was the training levy, hence, although attempts have been made to encourage education and training through other means, such as through tax rebates in Swaziland, and an education levy in Zambia, those alternatives were not sufficiently developed to suggest serious follow-up for the purposes of this study. Thus this report concentrates on the industrial training levy systems.

4. Funding as Part of an Integrated Training System

4.1 The need for an integrated training system, and some weaknesses

African Governments have observed that training is one of the tools for the transfer of technology and for increasing production and income generation capacities towards self-reliance. They have therefore invested heavily in it. t efforts have hitherto been fragmented, resulting in the waste of scarce financial resources. To make training more effective, funding of training should be an integral part of the total systematic training system. Some of the main weaknesses of current training programmes have been:

- lack of definitive training policies
- ineffective administrative structure for implementation and co-ordination
- inadequate funding mechanisms
- lack of adequate support for national institutions
- aining approaches without clear strategies as regards purposes, establishment of needs, direction for further development and expected standards.

Without well defined policy, Governments will have no clear conception as to where they are going or how they are supposed to get there with regard to training; and without adequate, regular and self-sustaining funding they cannot be sure of ever getting there.

4.2 Policy

A clearly defined national training policy instituted and backed by legislative enactments will:

- declare a government's commitment to training as a basic development tool;
- stress the importance of all employers accepting training as part of their responsibility to their work force;
- elaborate a planned and integrated approach to human resources planning, development and utilization;
- stress the need to promote a national training consciousness;
- provide linkages between training institutions and the needs of work performance for all sectors served by those institutions;
- encourage modern approaches to management;
- define and institute the means for co-ordinating, directing, monitoring and evaluating national training efforts;
- insist on the need for training for all levels of workers;
- indicate the means by which training activity should be sustained on a continuing basis.

5. Advantages of instituting a national training levy system and a national policy

5.1 The institutionalization of a training levy will ensure that there is a self-sustaining national training fund at all times and in spite of economic finctuations to serve the needs of training according to the declared national policy.

5.2 Sharing of training costs

Normally, Governments have had to bear the heavy burden of training for national development, even in countries with important private sectors. A training through which all employers who use trained manpower contribute to a National Training Fund will ensure that training costs are shared equitably.

5.3 Promoting training consciousness and a greater sense of responsibility for training

Having to pay a training levy immediately makes the organizations paying recognize that they are in partnership with Government in the development of human resources; and that Government considers training an important national issue that cannot be ignored by any sector. Being involved in the mobilization and management of a national training fund will make organizations more conscious of their responsibility towards making that fund serve them usefully and effectively.

5.4 Increasing the training activity

Employers contributing to a central fund, and receiving re-imbursement from it should be encouraged to train more of their staff, if only, in the first instance, to get back some of their contributions and to contribute to the development of the infra-structure required for a 'tailor made' skills development system. If the training brings about desired change, then their attitude towards training is likely to be more positive in the future. Those who already believe in training will be encouraged to increase their efforts by demonstrated Government support, and by seeing that increasing numbers of employers are participating in the training activity, with less poaching resulting from the increase in the number of trained personnel.

5.5 Support to training Institutions

A national training fund will ensure that specific manpower skill needs of contributors are responded to, that training institutions are receiving regular fees for the training they conduct, that their training programmes are geared to meeting the needs of employers, that their facilities are fully used and improved to ensure quality training and hence their capability is more strengthened. A flexible fund will also, most likely, provide grants to strengthen deserving institutions, both at the centre and in the rural administrative units to provide for decentralization and to bring training close to all socio-economic centres of activity be they in rural or peri-urban informal sector.

5.6 Improvement of training standards

Apart from the standards demanded by training policy guidelines, employers who are forced to pay for their training will want to ensure that they obtain value for money, and therefore are likely to make representations regarding the quality of training provided by existing training institutions. Besides, current reimbursement schemes refuse to pay for training undertaken unless the institutions used have been approved by the formally established machinery for that purpose, and the quality of the training they offer evaluated and proved relevant and of an acceptable set standard. All this is likely to promote increased consultations on how to improve the training being offered by public institutions and private organizations.

5.7 Other Benefits

Where advisory services are included in the work programme of the organization managing the national training fund, employers are likely to derive further benefits form the system which may conduct activities such as:

- providing advisory services relating to the training functions: its objectives, designing programmes to meet established training needs, training implementation, monitoring and evaluation.

- training of trainers, instructors and training administrators for the contribtors' own in-house training units.

- researching into new training approaches.

- promoting expansion of training facilities and helping in the creation of new facilities.

- providing information regarding the quality of instruction offered by different training institutions.

- conducting education programmes on the purposes of the fund, and how organizations can derive maximum benefit from it and its services.

6. Approach

The setting up of a levy for the mobilization of national training fund should therefore be regarded as a cooperative venture, involving the Government, the private sector, and employees in a national effort for the promotion of human resources development. Government should give the lead by paying regular subventions into the levy, with all other qualifying employers contributing, and the workers being adequately represented.

This way all employers will be able to identify themselves with the institution devised for its management. They will then willingly participate in decision-making related to the guidance of its expenditure and operations, give it policy directions related to the development of facilities needed for training, staffing, and the nature and quality of programmes for training the workers required in different organizations. Then all the parties will not only feel justified in demanding the very best from that institution, which they will regard as theirs, but feel obliged to give it all the support they can in the interests of making it capable of fulfilling its mandate of providing the services and benefits outlined under paragraph 5 above.

I. KENYA

1. THE INDUSTRIAL TRAINING ACT (CAP 237) OF 1971

1.1 The Directorate of Industrial Training

The Directorate of Industrial Training (DIT) which manages the Kenya Industrial Levy Fund, was created by the Industrial Training Act Amendment of 1971 to implement the policies and decisions of the National Industrial Council, a body established by the same Act, to advise the Minister for Labour on matters related to industrial training. Initially such training mainly related to technical areas, but it has since been extended to supervisory and management training. Moreover, the scope of the operations of the DIT now covers training within the public sector.

1.2 Functions of the National Industrial Council

The National Industrial Council, a tripartite body appointed by the Minister and representing employers, employees and other interests, is authorized to perform the following duties and functions:

1.2.1 it shall secure the greatest possible improvement in the quality and efficiency of the training personnel engaged industry;

1.2.2 it shall ensure an adequate supply of properly trained manpower at all levels in industry;

1.2.3 it shall advise the Minister from time to time concerning the Institution, review and maintenance of a system or systems for the holding of tests in respect of trades and occupations generally or any particular trade or occupation, and for the granting of certificates of efficiency to, and the making of reports upon, persons who enter for such tests;

1.2.4 it shall share the cost of all industrial training undertaken in persuance of this Act as evenly as possible between employees;

1.2.5 it shall investigate any dispute or other matters arising out of a contract of apprenticeship or indentured leadership referred to it by the Director, and shall endeavour to settle such dispute amicably;

1.2.6 it shall perform such duties and functions in regard to other matters concerning apprenticeship or indentured leadership as may be prescribed;

1.2.7 it shall, at the request of the Minister, and may of its own notion, investigate and make recommendations to the Minister on any matters connected with this Act.

The Council appoints Industrial Training Committees to assist in its functions.

1.3 Sections of the Directorate of Industrial Training

DIT is devided into the following sections:

- Levy Administration
- Occupational and Trade Testing
- Curriculum Development and Technical Support
- Branch Industrial Training.

1.4 Operations of the Industrial Training Levy Fund

1.4.1 Sharing training costs

To ensure the even sharing of the costs of all industrial training undertaken, the contributions of the various industries is determined by the sectoral committees, under the guidance of the National Industrial Training Council which has the final authority on how the funds should be spent.

1.4.2 Currently the contributing industries, the mode of charging and the training levies charged as notified through the respective legal notices of the Kenya Gazettes are as follows:-

Legal Notices (1) No.123 - Motor Engineering Transport and Allied Industries (Training Levy) Order 1980. Levy charged on basis of head count of the employees in each firm covered by the Industry, and at the rate of KShs.50/- per employee half yearly.

(2) No.124 - Banks and other Financial institutions (Training Levy) Order 1980. Levy on basis of head count at the rate of KShs.125/- per employee.

(3) No.125 - Textile and Allied Industries (Training Levy) Order 1980, levied on basis of head count, half yearly at the rate of KShs.125/- per employee.

(4) No.126 - Sawmilling, Timber Furniture and Allied Industries (Training Levy) Order 1980 levied on basis of quarterly turnover or sales paid quarterly.

(5) No.127 - Food processing and Allied Industries (Training Levy) Order 1980. Levied on basis of head count at the rate of KShs.100/- half yearly.

(6) No.128 - Printing, Publishing, Paper Manufacturing and Allied Industries (Training Levy) Order 1980 - levied on basis of head count and at the rate of KShs.50/ per employee half yearly.

Legal Notices (7) No.129 - Engineering and Allied Industries (Training Levy) Order 1980 - levied on the basis of head count at the rate of KShs.100/- per employee paid half yearly.

(8) No.130 - Chemical Manufacturing, General Processing and Allied Industries (Training Levy) Order 1980 - levied on the basis of head count at the rate of KShs.125/00 per employee.

(9) No.131 - Commercial, Distributive and Allied Industries (Training Levy) Order 1980 based on head count at the rate of KShs.50/- per person upto 500 employees and KShs.10/- per employee over the figure of 500.

(10) No.132 - Plantation, Agricultural and Allied Industries (Training Levy) Order 1980 levied on the basis of metric ton at the rate of KShs.4/- per ton monthly.

(11) No.133 - Building Construction, Civil Engineering and Allied Industries (Training Levy) Order 1980. The levy is based on the contract sum awarded to individual contractors which is at least KShs.50,000/-. The rate of 0.75% of the contract sum.

(12) - Management and Supervisory Committee a common Committee to all Industries which caters for the Management training in the relevant fields of the different Industries covered by the Orders.

1.5 Training Levy Fund

All training levy contributions are paid into the Training Levy Fund. Organization contributing may claim reimbursement from the DIT for any approved training they have undertaken. Rates of reimbursement are established by the Training Committees. These could be part of, or the full accounts spent on training, and in some cases, more than that full amount depending on the number of trainees who have undergone courses. This is possible because some organizations within an industry may be training much more than others. On the other hand, where an industry has insufficient funds, reimbursements are made on prorata basis.

It should however be noted that Training Levy Fund is not a common pool; as the accounts of each Industry are kept separately. Hence some Industries which have extensive training programmes may be short of funds, while those from sectors where the Government has yet to develop appropriate training facilities accumulate huge balances. This has sometimes given the wrong impression that large accounts of money are lying idle with the fund, where as in fact as and when appropriate facilities are established such accounts would normally become operational.

1.6 Reimbursements

The Director, acting on the advice of the Council, may make payments out of fund for any of the following purposes:-

1.6.1 the payment of maintenance and travelling allowances to persons attending training courses;

1.6.2 the making of grants or loans to persons providing courses or training facilities;

1.6.3 the payment of fees to persons providing further education in respect to persons who receive it in association with their training;

1.6.4 the reimbursement of an employer for all or part of his costs including fees, instruction costs, materials costs and wages of apprentices or indentured learners while attending courses;

1.6.5 the payment of sitting allowances and travelling, accommodation of entertainment expenses for members of Committees and any sub-Committees set up under them while attending meetings of those Committees and sub-Committees;

1.6.6 the payment of examiners' fees for setting, moderating, invigilating and marking proficiency tests for apprentices and indentured learners and their travelling and accommodation expenses;

1.6.7 the payment of honoraria to instructors for conducting evening courses; and,

1.6.8 such other expenditure related to training as may be approved by the Minister.

1.6.9 DIT pays directly on behalf of employers for the courses run at its own Centres.

1.7 Reimbursement Procedures

Every year, DIT sends out circulars telling all employers of the claims of its previous year, and reminding them of the various rules of procedures they must observe in submitting claims in the future. An example of such a circular is attached as Appendix I.

2. Achievement

The general assessment of those who know the DIT and the levy scheme is that from fairly modest beginnings with only few industries involved, a great deal has been achieved to date as the levy now covers most industries in Kenya.

2.1 It has been effective in encouraging increased training activity. There has been widespread growth of training consciousness, especially among some of the managers who have participated in the work of Training Committees, has created a greater willingness to train, and some companies have been established their own training units.

2.2 The number of institutions set up by the Government, private firms and through self-help efforts has increased considerably. For example, under Industrial, Commercial and Vocational Training, there are now some 460 institutions. About 10 Government institutions, including the University, conduct management and supervisory courses. An increasing number of private training consulting firms offer similar programmes and many hope to benefit from the fund once their training package is approved.

2.3 Communication between industry, especially through the Kenya Federation of Employers, Government, DIT, and Workers over matters concerned with training has become a regular feature in relationship between those parties. With growth of the levy system, some problems have arisen, which now require review and fairly important and quick action.

3.1 Constraints to future development

With the extensive increase in the number of training institutions, and with so many trying to benefit from the fund, it has become increasingly difficult to decide on which one should benefit without the DIT being accused of discrimination, and co-ordinate training effort and ensure a national norm of standards, since there is no adequate central machinery for that purpose. Hence, the problem of wastage and of duplication of efforts has become serious. So has the issue of regulating standards of performance for the different institutions engaged in similar training.

3.2 It has not been possible for all the public and private training institutions to produce qualified trainers and instructors as fast as it has been to establish new institutions. Hence there is further wastage within many institutions because shortage of staff implies that some institutions cannot train to full capacity.

3.3 Since each industry determines its own levy, it has been felt that the system is not fair to all. Consideration has been given to the possibility of establishing a common levying formular.

3.4 In spite of progress made so far in the attempt to include all industries, not all employers who use trained manpower contribute to the system. While the question of who should be included needs re-examination.

3.5 Some industries which are levied do not benefit from the fund. Sometimes it is because of shortage of facilities required for specialized skills training locally. Not all those who need training can be sent overseas. Moreover, there have been cases of organizations which do not want to train since workers are likely to obtain certificates and thereafter demand increased salaries.

3.6 As pointed out above shortage or lack of training facilities has led to accunulation of funds[1]. There is no clearly defined policy regarding the use of such funds. The whole issue related to this needs review and more flexibility built into the system to allow for the use of accumulated funds for the development of additional or new training institutions and facilities.

3.7 The number of defaulters in making contributions is causing increasing concern. The DIT has a shortage of inspectors and cannot enforce the stipulations of the Act effectively.

3.8 Some employers have complained that the processing of reimbursement takes too long, so does the approving of training institutions for registration under the DIT for reimbursement purposes.

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[1] See Appendix II

3.9 There should be only one Training Levy but currently there are two: the Industrial Training Levy and the Hotel Catering Levy. It has been said that the latter is passing on its responsibility to the client. There seems to be no acceptable argument against the second levy being absorbed into the national one.

3.10 The increasing number of private training institutions, especially those set up by private consultants, is posing a problem of control of the quality of offerings from those organizations. Once again the DIT as constituted cannot adequately supervise this development in the national interest.

4. Conclusion

4.1 Need for Review

For some years now, the need for re-assessing industrial education and training, the roles of the National Industrial Training Council and the Directorate of Industrial Training and the levy system has been expressed within the Government and by the other informed parties in the Kenya community.

4.1.1 Training

There has been a shift of emphasis from the modern sector to rural development, small scale industry, commercial activity at the local level, encouragement of the self-employment and the increasing growth of the informal sector.

- There is a need to provide a great increase in training activities, more technical skills at the lower levels and for the artisan categories to cope with the above developments and to correct the present inverted skills pyramid situation;

- With the multiplicity of training institutions and complexity of post-school education system there is need to create a more effective machinery for guidance and co-ordination of firstly, the entire vocational education which provides the base for job oriented training and re-training, secondly training at every point of exist from the education system, and thirdly training at every centre of socio-economic activity.

4.1.2 The Industrial Training Council and the Directorate of Industrial Training

As far back as 1976, the report of the National Committee on Educational objectives and Policies, suggested that all institutions providing post school technical education should be brought under the supervision of the Directorate of Industrial Training. Further, in the 1979-83 Development Plan, the importance of co-ordinating training efforts was discussed at length. However, efforts at moving around Crafts Training Centres and National Ploytechnics with effecting harmonization of efforts as theobjectives turned out ineffectual because the potential co-ordination machinery as constituted then would not have been able to cope with the additional responsibilities and work load.

The Directorate encounters similar problems in trying to cope with such a major activity as the Approved Training Programme for management, commercial and supervisory skills in addition to the regular operations of its different sections which involve modernizing and introduction of such innovative approaches as the Kenya Integrated Training System and its various sub systems. Added to this are the routine problems the DIT has to cope with in handling Industrial Training Levy.

4.1.3 Financial structure and incentive system related to all training

The existing levy scheme has played an important positive role in changing the training scene in Kenya. Nonetheless, it needs to be revieved in the light of the shortcomings indicated above if it is to become a more effective instrument for encouraging training at all levels, enhancing a greater sense of training responsibility and ensuring a more equitable sharing of training costs among all those who benefit from it through legislation that provides for all employers with over a specified number of employees, say 20, contributing to the levy, using some uniform formular for making contributions, such as a given percentage of the payroll. Moreover, the system could undertaken extended responsibilities in order to help expand existing facilities and create additional training resources to meet future needs. The fund could finance the DIT to improve efficiency in levy collection and disbursements. Further the use of the Fund could be revieved to make it more flexible and adaptable.

4.2 Future Structure of the Industrial Training Council and the Directorate of Industrial Training

The Industrial Training Council and its executive, the Directorate of Industrial Training, are no longer serving industry alone. On behalf of the Government, the Directorate of Personnel Management now makes various contributions to the Fund for some of the programmes for the training of public service personnel. It has also decided to promote the work of the Harambee Institutes of Technology by sponsoring students into those institutions and obtaining reimbursement from the Fund. In the latter case, the process needs re-examination since Government is being reimbursed more than it actually pays.

But Government points out that most of the trainees are being absorbed by industry, and so industry should contribute to that training, even if indirectly. Moreover, certain funds reimbursed are being channelled back into training as grants to develop those institutions. The point is that the coverage of the fund has outgrown its original conception, and piecemeal adjustments (including bending the rules) are being made to cope with the new situation.

Government still shoulders the burden of maintaining the Directorate of Industrial Training, but not at a level commensurate with the rapidly growing responsibilities. Its resources are over-stretched and it can no longer fulfil some of its mandate effectively. It needs more funds to increase its staff, so that it can give adequate guidance to training and exercise its supervisory and

controlling roles effectively. It must be able to propose remedies, and be able to implement desired changes when they are approved in the interests of rectifying the deficiencies pointed out in this study and others that may arise. It has the skills to do that and should be provided with the necessary resources. It needs a new shape and possibly a new name like the Directorate of National Training.

4.3 Towards a National Directorate of Training

The DIT could be strengthened at its stands now as a Department of a Ministry. However, there are clear advantages in giving it greater autonomy, though still under the tripartite Council. Like the Nigerian Industrial Training Fund, which retains 40% of total collection, Kenya could build up a fund of its own consisting of a retained percentage of say 25% of the contributions from industry and subventions from the Government. With this, it would then be able to recruit its own specialized staff to help provide leadership and guidance in training approaches, competently, encourage the training of trainers, co-ordinate training efforts, advise on training quality and standards, give support in the form of grants, equipment etc., to deserving training institutions in need, explore new training areas and generally be a vital service instrument for manpower development.

The Directorate would then be moving from being a Government Department to being more of a national institution belonging to all the parties it serves: the Government, the parastatals, private enterprises and employees, who would in turn, guide, monitor and evaluate all its operations through the Council.

5. Making Training Available to all Citizens who need it

Finally it is the responsibility of Government to ensure that all its citizens are provided with the opportunity of developing their full potential, so that they in turn, can make their maximum contribution to national development. So far, the present fund has tended to take care of only those employed in specific sectors. Part of the review of the existing system should be concerned with finding ways and means of ensuring that all employers who benefit from training do make contribution to the Fund. Moreover, in the same spirit that Government considers that every citizen has a right to literacy, so should everyone have access to the development of skills with which to promote his own welfare and that of the community around him. In considering its own contribution to the Fund, then, Government should take into account the need for part of the Fund to be set aside for pomoting and subsidizing institutions which provide skills at artisan and crafts levels, with the objective of reaching the majority of the population of the country.

6. A National Training Policy Statement

It is expected that one of the most important outcomes of the training review suggested would be the writing up of a comprehensive National Training Policy Statement which would at least incorporate some of the suggestions and proposals indicated above and be an official guide to all training activities in the future. Such a policy statement would appear to be long overdue.

SWAZILAND

1. The Industrial and Vocational Training Act, 198?

In 198?, the King and the Parliament of Swaziland enacted 'An Act to consolidate the law in relation to Industrial and Vocational Training and to introduce new provisions relating thereto'.

1.2 At the time of this mission's visit to Swaziland, the Act, known as the Industrial and Vocational Training Act, 198?, had not yet come into operation, but the law provided that it would come into operation on such date as the Minister responsible for Labour "May, by notice in the Gazette, appoints and the Minister may appoint dates for the coming into operation of different provisions of the Act".

1.3 The Act has six sections, whose contents, in brief, are as follows:-

Part I of the Act stipulates that it shall apply to all employment by Government, except for employement in the armed forces. The Minister may, however, make special exceptions;

Part II deals with the administration of the provisions of the Act: the appointment and powers of the Director and Inspectors and their powers, and the establishment of a Directorate; and the establishment of an Industrial and Vocational Training Board and its Committees and their functions;

Part III authorizes the Minister to make proposals for Training levies in respect of different industries, establish an Industrial and Vocational Training Fund, andprovide guidance for disbursement from the Fund;

Part IV legislation on the employment of apprantices, makes provisions for their contracts and their terms and conditions of service;

Part V authorizes the Minister, after consultations with the Board, to make schemes for regulating the training of apprentices or trainees in any industry, trade or occupation and provides for the procedures for making such schemes;

Part VI makes provisions relating to the supervision of the training of apprentices and trainees, and to some other miscellaneous items.

2. Current Efforts

2.1 Income Tax Rebate

The Income Tax Department was in support of any activities that would lead to more effective manpower training. Income Tax Law already had provided for reliefs on training expenditures under Section 8 Sub-section 2. Together with the normal tax-payer deduction formular the amount allowed worked out to 200% of the expenses incurred. However, this only applied to training activities within the manufacturing industry.

2.1.2 There had been requests that the above provision be extended to cover other areas. It seemed that such an extension would be a positive move in encouraging increased training activity.

2.1.3 The Income Tax Department, as did other Government Institutions, suffered regular losses from the poaching of their trained staff in such areas as accounting, and was of the opinion that intensified training activity must be encouraged.

2.2 The Private Sector

It was clear that some of the private sector was contributing to the training activity, and the very important sugar industry was quoted as being a major contributor in this effort through University Training and through its own and other programmes.

2.2.1 Swaziland Breweries Limited was another example of an organization that trained systematically, both to ensure effective and orderly implementation of their clearly defined plan of localization as well as efficiency.

2.2.2 It was, however, observed that whereas the larger organizations were making positive efforts to train their staff, they were constantly losing staff to smaller organizations which were hardly training and were not making any direct contribution towards the national effort in this way. Regarding the whole issue of non-contribution to training, some government observers had remarked that as if the absence of cost sharing were not a weakness enough in the system, various private organizations had managed to get directly in though with some of the main donors and were obtaining fellowships which it was felt government should be administering.

2.2.3 It was also observed that whereas such a holding organization as TIBIYO could not directly interfere with the regular management of its subsidiaries, nonetheless, because of its national position it would exert moral influence to ensure that those subsidiaries were systematically contributing to the national training endeavour and thus setting an example to the private sector as a whole.

2.2.4 Regarding the question of the training levy, it would appear that it was the bigger companies, such as the Breweries and the ones related to the TIBIYO complex that would have to set the pace in order to overcome any resistance that there might be regarding the levy when the Industrial Training Directorate was set up and become operational. An approach to gain support from such organizations would receive response

2.3 Training Standards

In the development of a truly national training policy and follow-up programme of action the setting up and ensuring training standards acceptable to both the public and the private sectors will necessarily feature as a prominent issue.

2.3.2 One of the functions of the proposed Industrial and Vocational Training Board is to make recommendations on the "steps to be taken to improve the quality and efficiency of industrial and vocational training". The composition of the Board is planned so as to ensure adequate representation from the government, employers and employees. It would appear that consultations regarding existing and future training programmes at the Swaziland College of Technology (SCOT), the University, SIMPA and other existing and planned institutions will have to be a main activity of the Board and its committees. Such consultations will also have to deal with improvement, upgrading and modification of training programmes and how to meet future training needs. It is basic that training programmes be acceptable to such organizations as the Swaziland Federation of Employers, whose support in helping implement the Act effectively will be vital both in the use of national training facilities and in absorbing graduates of national institutions.

A joint venture approach

Although the proposed Industrial and Vocational Training Board will be seen initially as a creation of the Government, it will have representatives from both sectors of the economy, as well as those representing employees. It should then be viewed as a Board of all employers, and its Committees, the institutions it supports and supervises and the programmes those institutions conduct as belonging to and existing to serve the employers from the public and the private sectors. Thus, programmes conducted by SCOT, for example, should only be initiated at the expressed wish of the employers, based on a survey of manpower needs of the economy as a whole and of specific industries and commercial enterprises. The Fund, then, should be seen as one of the means by which training institutions such as SCOT would receive support to develop adequate facilities and the right numbers of trained trainers and instructors to effectively conduct adequate and relevant programmes of the right standard and quality needed by the country. Such a joint venture approach would eliminate the feeling that the institutions were an imposition on industry, and the training levy just another form of taxation. It will also ensure that the private sector need no longer express reservations about the graduate of SCOT or be reluctant to use its facilities, but rather would assure an equal responsibility in setting and developing the standards acceptable to themselves, and for the country as a whole.

3. The Future

3.1 General Observations

It was clear that before the enactment of this Act, a considerable amount of discussion had taken place relating to its provision, and particularly regarding the idea of introducing a training levy. The general feeling was that such a levy would bring in a significant contribution from the private sector to support the national training funding effort, especially at a time when the Government was experiencing problems of meeting its financial obligations even in the general educational field.

However, the handling of the important Swaziland private sector would have to be delicate but firm, requiring joint consultations, and supported by good-will on the part all parties involved, in the interests of social and economic development for all.

3.1.2 A training fund, well managed and co-ordinated, would not only enhance national training capability and help to develop manpower needed at all levels of the management of the economy, it would also lead to greater efficiency in the other related and important national areas such as the control of immigration, renewals and extensions of the contracts of existing immigrants, and systematic and timely localization. Thus it would facilitate the translation of expressed wishes into an active programme of action. The Act provides for the creation of such a fund.

3.2 Initiatives

3.2.1 As already stated, the Act would come into operation on such date as the Minister may appoint. However, a certain amount of background work is needed in the preparation of notices etc. for the various provisions of the Act. To this effect, it is understood that the relevant and competent departments of Government would be taking the necessary initiatives shortly.

3.2.2 It would appear that initial steps towards implementation would have taken by the Directorate of Personnel Management in conjuction with the Ministry of Labour. In support, other interested parties such as the Ministry of Planning would make their contributions, the point being that good-will is needed for a start to be made. Experience elsewhere has shown that problems and shorcomings are bound to be identified during the course of implementation. With that basic understanding modifications and ammendments of the various provisions of the Act can always be made as may be found necessary.

3.3 Policy

There may be a need to set up a working committee with representatives from all groups affected by the Act, to devise, clarify and enuciate a national training policy. It is hoped that a main outcome of the committee's work would be an official announcement by the Government of a National Training Policy Statement, stressing Governments' commitment to training, pointing out the common training responsibility of all parties, elaborating a planned and integrated approach to

human resources planning, development and utilization, providing for linkage between training institutions and the needs of work performance, defining the means for co-ordinating, monitoring and evaluating national training efforts, insisting on training at all levels, and providing for its own constant self-evaluation to allow for new approaches to management.

Such a policy should be instituted, backed by legislative enactments, and should then be circulated to all sectors of the economy as a guide for future training action.

ZAMBIA

1. Background

1.1 The Economy

According to the National Commission for Development Planning (NCDP), the Government of Zambia today controls 80% of the economy, mostly through parastatal organizations. The remaining 20% is in the hands of the private sector, mainly under the control of expatriates, since not many Zambians have accumulated adequate capital to initiate sizeable industrial or commercial enterprises.

1.2 Empahsis on Planning

Since the intensification of the take over of the control of the economy by the Government in 1968, great emphasis has been laid on the planning machinery. Between the NCDP at the top and grossroots levels many planning units have been set up. The ultimate goal is to ensure that the manpower needs of every operational unit are determined and channelled upwards through the various levels of appropriate Government Ministries, parastatals and private companies to the National Commission for Development Planning which then co-ordinates the national manpower planning policy. Above all the planning machinery is the Party which has developed a philosophy which guides the national policies.

1.3 Manpower development training and training institutions

1.3.1 Government financing of education and training

In accordance with the National philosophy and in order to meet the manpower requirements needed for the social and economic development of the country, the Government of Zambia provides free education, including technical education, at primary, secondary and university levels.

1.3.2 Training Institutions

Funded through the Department of Higher Education are ten technical/artisan institutions, spread around the provinces, and four technological and related colleges, namely:

1) Zambia Institute of Technology (Kitwe)
2) Northern Technical College (Ndola)
3) Evelyne Hone College (Lusaka)
4) Zambia Air Services Training Institute (Lusaka)

Among other training institutions are the National Institute of Administration (NIPA) which provides training for the Civil Service but also takes trainees from parastatals; and the Management Services Board, which specializes on management training for parastatals and also provides a certain amount of consultancy services. The Board's work has slowed down somewhat since the withdrawal of ILO support. The main parastatals have their own training programmes. The mining industry, now Zambia Consolidated Copper Mines (ZCCM) has always managed most of its training; Zambia Industrial Corporation (ZIMCO) has a Management Training Institute whose programmes are in the process of upgrading so that it may be able to train higher levels of management; and the Industrial Development Corporation (INDECO) has a rapidly expanding Management Development and Training Centre (MDTC) which conducts courses not only for INDECO subsidiaries, but for non-INDECO organizations such as Zambia Airways and National Commercial Bank. MDTC is financed by INDECO, but companies participating pay non-commercial fees for its trainees. It has an expanding ragge of subject coverage, including marketing, sales, financial, executive, supervisory, personnel and purchasing and materials management. It also conducts courses in computer appreciation, mechanical maintenance, industrial safety and manpower planning. MDTC also sometimes tailor-makes and conduct courses at request, and provides job evaluation, manpower planning, counselling, training needs identification and other services to its Group.

1.3.3 University expansion

Two new campuses are envisaged, one for Business Studies, and the other for Agriculture and Rural Development Studies.

1.3.4 National Institute for Economic Planning

Government is planning to establish a major institution the National Institute for Economic Planning, which will organize training and development programmes for Members of the Central Committee, ministers, politicians and public servants. The Institute will emphasize the National Philosophy, and will handle other non-technical subjects related to planning, administration and management.

1.3.5 Training Control

Training is controlled by the Directorate of Management Development and Training in the Cabinet Office; although the NCDP has a hand in it in that is has to process all national and external fellowships, and the technical assistance associated with the latter. This additional programme is important in augmenting such training as it is not available in Zambia.

Two University expansion campuses are also envisaged, one for Business Studies, and the other for Agriculture and Rural Development Studies.

1.4 Present Funding

As indicated above, Government provides free education and training for the nation. Even though some parastatals have their own training programmes, they do use national facilities as may be needed, and in any case many of them receive Government subventions. It is quite clear then, that the Government bears a considerable financial burden in meeting the total cost of the development of the nation's stock of human resources.

2. Observations

2.1 Key economic role of Parastatals and importance of their effective Management

Parastatals are the means by which Government has decided, in accordance with the national philosophy, to promote the economic development of the country. Their success is therefore a matter of great importance to the economy of Zambia. In most developing countries, public enterprises (the name used in some countries for some of those organizations), have had a reputation for poor management, and for relying heavily on Government subventions for their survival, even when they were supposed to generate profits if they are of a commercial nature. Hence, in a country where their importance is as the case in Zambia, their successful management becomes a vital national issue.

2.2 The economy performance of parastatals and training

Training to ensure that the persons managing those organizations are the most qualified and most competent to run them is but one of the factors capable of influencing their performance. There are other factors, like organizational patterns, levels of management commitment etc, which we are not able to consider in this study. Training, our main concern, is expensive, and the availability of sufficient funds for it depends on the state of economy. That state is greatly influenced by the performance of the parastatals in the case of Zambia. Hence it is possible to be caught in a vicious circle: where a poor state of economy will lead to shortage of funds to train adequately, and hence to poor management and ineffective performance, and back again to even poorer economy and greater shortage of funds.

3. A National Training Fund: Is there a Need?

It becomes clear, then, that to ensure a sufficient and self-sustaining financial system to support training at all times in all sectors, the installation of a national training fund would greatly increase the chances of the training activity being maintained at an adequate level even in times of economic recession. Zambia does not have such a fund. Money collected through the education levy (suppose to augment the education budget), and the Selective Employment Tax goes straight into Government Revenue. The latter could be set aside for training nationals to replace the expatriates for whom the tax is raised, and since it is quite substantial (K24,400,000 in 1971), it would form a solid basis for the creation of a national training fund.

The possibility of instituting a training fund has been discussed at high level but probably because the Government has carried the total burden so far, such discussion has not led to any action in the direction of creating a fund. Another argument is that the private sector is fairly small, anyway, and its contribution would be equally small. Any training done for that sector, it is hoped, encourages the process of localization. But it does not control 20% of the economy; since it does take advantage of the training activity, it too should share in the costs involved.

4. Seminar on the Effective Management of Human Resources

It is understood that recently there was in Zambia a Seminar on the Effective Management of Human Resources. Among other proposals, as a measure towards monitoring facilitating and improving co-ordination of training activities, there should be a division of training responsibilities as follows:

The Ministry of Labour	- Training for the private sector
The Cabinet Office	- Civil Service Training
Provincial Administration	- Training for the rural and Uniformal sector
Ministry of Commerce and Industry	(through Zimco - since there are already existing operational relationships between the two) training for parastatals.

If the arrangement proposed by that seminar is approved for implementation, then a regular, self sustaining fund would be an important factor in ensuring effective provisions of the training service by the respective Ministries to their various clients. Such a fund would have contributions from all the consumers of trained human resources, i.e. Government, the parastatals and the private sector. Already the Government is in receipt of money from the selective Employment Tax which the Government may set aside as a nucleus of the fund. Taking the initiative, the Government would add to this its normal budgetary subventions to service the training function, while appropriate steps are taken to initiate the levy and set up machinery for integrating the monies of the Selective Employment tax into the levy. However, it would appear that there may be need for further discussion on the question of a training fund before any action if any, can be taken.

5. Future Discussion

5.1 A national workshop/seminar on a training fund

It has been suggested the question of introducing a national training fund should be discussed more formally at the national level, and thepossible advantages or otherwise of having such a training fund examined critically, with a view to coming to a decision regarding future action. A national seminar or workshop in Zambia on the subject might be one approach. Such a meeting would be a logical follow-up the seminar mentioned above in paragraph 4. Alternatively, a sub-regional workshop could be organized by the ECA to which Zambia might send a strong representative delegation.

5.2 Seminar Subject and Topics

A Seminar on the Creation of a National Training Fund might have, among other topics, the following:

i) Training Policies in Africa (Paper by ECA);

ii) Mobilizing Financial Resources for Training (Paper by ECA);

iii) Training and Curriculum Development for Parastatals Bodies (Paper by Commonwealth Secretariat; who have done some work in this subject);

iv) The Training Levy System (country papers, for example, on the working of the systems in Nigeria and Kenya - or elsewhere);

v) Funding Training in Zambia, is there need for a levy? (Paper by Directorate of Management and Training, an explanatory discussion).

These would be followed by discussions on the issues raised in the papers, resulting in policy recommendations for the future.

NIGERIA

1. The Industrial Training Fund ITF

1.1 The Decree of 1971

The Industrial Training Fund (ITF) was established by Decree (now Act) No. 47 of 8th October, 1971 to 'promote and encourage the acquisition of skills in Industry and Commerce with a view to generating a pool of indigenous trained manpower sufficient to meet the needs of the economy'. Soon afterwards, the Federal Military Government during the 2nd National Development Plan (1970-1974) created the Nigeria Council for Management Development (NCMD) together with its executive institution, Centre for Management Development (CMD), and the Administrative Staff College (ASCON).

1.2 The Governing Council

ITF is administered by a Governing Council consisting of 23 member appointed by the Federal Minister for Industries as follows:

i) Chairman of Council

ii) Six Federal Government Ministries' representatives. Each of the following has a representative:
Finance, Agriculture and Natural Resources;

iii) Four persons to represent the states in rotation for two years at a time, provided that no two members so appointed shall come from one state;

iv) Four representatives of the trade unions;

v) Three representatives of Nigerian Employers Consultative Association (NECA)

vii) Two persons with extensive knowledge and close association with industrial training.

1.3 B. Functions

In February, 1973, the Governing Council of ITF issued a comprehensive Training Policy Statement known as Policy Statement No. 1 in which, among other policy matters, the functions of the ITF were stated. The Fund would support training in several ways, including:-

i) bearing a proportion of the direct costs of on-the-job and off-the-job training of Nigerian employees undergoing training courses, approved by the Fund;

ii) assisting and/or strengthening training capability and facilities throughout the country;

iii) encouraging greater involvement of employers, particularly small employers, in the organization and direction of training, especially through the establishment of Group Training Schemes and Centres in certain critical areas of economic activity;

iv) directly building up training facilities of its own in areas where nothing or little is being done;

v) organizing research and studies into training as support to other activities of the Fund;

vi) seeking to harmonize all its training efforts and support with the activities of formal training institutions as well as utilize their facilities for clearly defined, job-oriented training programme. In particular, with the emphasis of the Fund on the training of craftsmen through apprenticeship and other less expensive and less formal systems, the role of Trade/Vocation Training Centres are to be rationalized against the back-ground of new developments in the training situations of the country.

1.4 Sources of the Fund

The ITF Decree provided for subventions from the Federal Government and for contributions from employers.

Initially the Federal Government indicated that it would make available to the ITF N.1,000.000 - (£500,000) during the Plan Period 1970-74. Employers were to contribute 3% of their annual pay-roll or ½% of their turnover, whichever was greater. Amendment to the Act in 1973 and 1975 reduced this levy to 2% and 1% of pay-roll respectively.

After the first subvention, the Federal Government has not felt it necessary to continue with further payments; and so far, the Governing Council has not invoked the penalty clause for late payments stipulated in the Act. However, the Governing Council has had to take legal action against a number of defaulters, among which have been some parastatals.

1.5 Reimbursement, and Grants Scheme of the Fund.

The reimbursement and Grants Schemes was set up in 1973. Under the Scheme, the Governing Council has the power to allow a maximum reimbursement of 60% of an employer's contribution for each year for approved training activites successfully undertaken that year. To qualify for reimbursement, employers must satisfy the conditions laid out in Policy Statement No. 1 (annex 3) and as revised from time to time to meet changing conditions.

To ensure that training is spread evenly throughout organizations, there is a distribution of the percentage of awards for the main training areas:

- Safety Training - 3% of levy
- Trainer/Instructor Training - 6% of levy
- Management, Professionals, Senior Technologists and other Specialists Training
- Occupational Apprenticeship and Operatives Skills Training
- Supervisory Foreman and Charge hand Skills Training
- Relevant Education/Correspondence Courses.

The distribution of percentage award for the last four areas is made according to the company's current order of emphasis at the rate of 18%, 15% and 6%.

The ITF may also 'consider and approve applications for subventions and grants needed to augment the training facilities of existing institutions'.

1.6 Additional Service

Grant payments and reimbursement are only a part of the return that contributors to the fund can receive from the Fund. Other benefits include:

a) the general availability of trained and mobile manpower throughout the economy;

b) the prompt attention and guidance of the training advisers of the fund;

c) access to the wealth of information and experience which the fund has built over the years.

Supporting activities of the Fund are intended to ensure that adequate training for all categories of employees is available throughout the country, that it is based on the identified needs of the national economy, that it is relevant to the needs of the employees in the work situation, and that it is of the right quality and achieves acceptable standards.

2. Achievement

2.1 The Industrial Training Fund is a clearly conceived organization, and is well documented[1]. Starting with one centre at Lagos, it now has ten Area Offices, located in the different States. Three more Area Offices are being established, and it is likely that before long all the 19 States will each have an Area Office. The Headquarters is at Jos. The idea is to bring the services of ITF closer to the employers. This is important considering that Nigeria is a very large country, and the most populous in Africa.

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1. The main information documents are:
   - The Industrial TrainingFund Decree 1971 No. 47 as amended by the Industrial Training Fund (Amendment) Decree 1973 No..37
   - Policy Statement No. 1 (February 1973) Appendix IV
   - The ITF Manpower and Training Programmes Prospectus (1983)
   - The ITF Reimbursement and Grants Scheme (Third Revision) Dec. 1982
   - The ITF, Some Questions and Answers on the Board.

2.2 From collections of about ₦5,000,000 in 1971, the ITF is now collecting about ₦24,000,000. The ITF is also conducting an intensive Manpower Training and Development Programme. For the year 1983, 60 workshops, seminars and courses are planned.[2]

2.3 There is no doubt that the ITF has now established itself as the most important training agent in Nigeria. Fortunately, the organization does obtain 40% of the levy collected for its operations, and this has enabled it to pursue the achievement of its objectives. It has now a staff of about 1,000 to carry out its functions.

It has been able to bear a portion of the in-service training conducted by contributing employers, assist in the development of training capabilities and facilities throughout the nation, provide support to trades and vocational centre, organize research and studies into training and provide students with work experience through attachments during the course of their study. It has also been able to provide advisory services to employers in matters relating to training and development of their staff, develop a registry of industrial training resources and hopes to develop a Library and Resources Centre for the use of employers. With the assistance of ILO it is working out ways of streamlining the apprenticeship system. ITF is also studying ways of introducing a Group Training System.

2.4 Through its Training Function Programme it has been emphasizing the need for systematic and relevant training, and sensitising organization ... training role, as well as making employers aware of the benefits they can reap from more effective use of the ITF services and educating them on the Reimbursement and Grant Scheme operations. Through Train-the-Trainer and related workshops, it has greatly contributed to the nation's pool of trainer trainers and instructors. Through the services of the Centre for Management Development which evaluates management training programme on its behalf for the purposes of reimbursement, it has been able to promote the improvement of management training. Further by giving sustantial grants to the CMD (rather reduced lately), it has been promoting management development as a whole.

2.5 The ITF is supported by a National Training Policy. Since comprehensive national policy statements are rare in Africa, a copy of Policy Statement No. 1 is attached as Appendix 4 as already indicated.

3. Shortcomings

3.1 All employers with a staff of 25 or more are expected to contribute to the ITF in accordance with the Decree establishing the Fund. However, there are many defaulters, and although some have been taken to court, the problem of collection remains a serious one.

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2. See Appendix III

3.2 After the initial subvention, the Federal Government stopped making contributions to the Fund. This is perhaps understandable since at the end of the Plan Period, 1970-1974 the fund had already accumulated a substantial amount of money; the situation then was as follows:

- Accumulated fund as at January 1, 1974	₦ 7,889,690
- Employers contribution and other income	₦ 5,543,900
- Training reimbursement and other expenses in the year 1974	₦ 1,028,250
- Accumulated fund as at December 31, 1974	₦12,405,250

It could be agreed then that the Fund did not need any more subventions from the Government, and although the activities of the ITC have greatly increased and the Reimbursement Scheme is operative, today only a little over half of the 60% of the levy collected specified for reimbursement is going back to the employer's contributing. Hence the process of accumulation of funds continues. Recently, a great deal of that money has been invested profitably, and the argument for Government not contributing has been maintained. On the other hand, it has been observed that Government's non-contribution is not in accordance with the Act, and therefore could be a demoralising factor. Besides, the needs of long-term planning, especially for the more ambitious manpower development projects, could be hampered by funds being found insufficient when the time came for actual implementation.

3.3 Processing claims, which must all finally be approved at the Headquarters takes about a year, which employers feel is too long.

3.4 There are still shortages of trained manpower, especially at the lower skill levels as revealed by the current Development Plan.

3.5 The larger employers normally have their own training institutions and programmes, and generally support training. There are, however, still a large number of smaller companies which do not appear to believe in training, and which therefore do little about it.

3.6 The programme whereby the ITF has been supporting mid-career attachments of students to relevant organizations has proved too expensive to maintain.

4. Conclusions

4.1 Policy Statement No. 1 now needs to be reviewed and up-dated in the light of experience gained so far. A decision on the future regarding Federal Government's contributions should be arrived at, incorporated in the Policy Statement, and adhered to.

4.2 The Governing Council should examine the work programme of the ITF and issue clear guidance on the 'exceptional cases' where the Fund may be directly involved in training. It is possible that in the future the responsibility for Train-the-Trainer and associated programmes could be gradually passed on to other organizations which have similar or even greater expertise in that area, such as the CMD. Other marginal programmes like the Basic Secretarial Duties Courses and the In-Plant Training and Productivity Workshop should be considered as short-term projects in the process of breaking new training ground, and then should be transferred to other relevant instructions.

In this way the ITF will save funds for exploring new training areas and avoid the danger of being seen as a competitor in the training field. Moreover, it will then be able to maintain its grants to deserving institutions. Furthermore, one should not underestimate the danger of having too large a training team at the ITF. Trainers also must survive, and once on post, they may tend to perpetuate some programmes and even create new ones in order that they might keep their jobs. However, seminars on the training Function are oviously a permanent feature in the programme of the ITF. The ITF should explore ways of using them to reach that section of employers that still remains indifferent to Training.

4.3 Most of the other observations on the present deficiencies of the ITF relate to the effectiveness of the implementation machinery. Perhaps it is fair to say that it is difficult for the ITF to be more efficient than the rest of the national administration, since it cannot operate in isolation. It is, nonetheless, part of ITF's responsibility to promote national efficiency through training, and it should itself be an example of efficiency and effectiveness. While obviously strong and imaginative at the top, the ITF needs to streamline its operations all the way down the line.

It has the financial means to operate efficiently, and should therefore, before expanding into new programmes, ensure that it has the right persons recruited into the right jobs and that they are effectively trained and retrained to meet the requirements of the jobs they have to do, so that its basic duties of collecting the levy, ensuring the speedy and effective processing of reimbursements and promoting awareness of the need for relevant training are conducted as smoothly and as effectively as possible.

SUMMARY

1. The opening section of this study has dealt with the basic issues related to the need to promote and encourage the development of knowledge, skills and attitudes within a nation with a view to generating a steady flow of trained and commited manpower to meet the needs of a national economy.

The study notes that training is an expensive activity, and that most African Governments have had to bear the burden of this responsibility with little support from the private sector. However some countries have found that the costs of training could be shared more equitably if all the sectors made regular contributions towards a self-sustaining training fund, which would be able to maintain the training activity at an adequate level of operation even in times of economic recession such as governments have been going through for some years now.

Governments have declared that there is need for such an approach to the funding of the national training development effort. The advantages of having a national policy and an effective implementation machinery owned, directed and controlled by and serving all the economic sectors jointly are pointed out. Such advantages include the sharing of costs, creating a greater awareness for the need of training, increasing greater training capability, improving training quality, and obtaining regular advisory services from the implementation agency.

2. The second part of the study described the experiences of countries visited i.e. Kenya Swaziland, Zambia and Nigeria. Kenya and Nigeria have operational funding systems. Swaziland has recently passed an act that would institute one and Zambia has been contemplating the possibility of introducing a training levy system. The following paragraphs summarize the situation in each country visited.

2.1 Kenya's funding system is based on contributions determined by various industrial training Committees. This means that there is no common formular for levying all employers and the feeling has been expressed that the system is therefore not equitable.

2.1.1 Unlike the Nigerian ITF which retains 40% of total contributions for infrastructural developments and providing advisory services for training, the Kenyan system does not have such an arrangement. This has meant that the DIT did not have the means for the development of the infrastructure and services it requires to implement all the functions envisaged for such a service instrument, or to provide specialized services at the request of the contributors.

2.1.2 Although within certain industries some campanies may get 100% reimbursement and above since the fund is not a pool of the total levies collected, some industries accumulate funds over a long period because there are no training facilities available, and because present arrangements do not allow them such funds to be transferred to other areas of need, or used for the further development of existing facilities or creation of new ones.

2.1.3 The present arrangement in Kenya need to be reviewed, simplified and streamlined to provide for:

i) more efficient servicing of the fund;

ii) more equitable contributions and sharing of costs; and,

iii) retention of a portion of the fund for training infrastructural development and provision of advisory services.

2.2 Swaziland has just recently passed an Act of Parliament with provisions for the introduction of a training levy towards a training fund. It is understood that initial steps are being taken towards the implementation of the Act. The study makes the following observations:

2.3.1 There is need to involve all affected parties i.e. the Government, parastatals, the private sector and employees in the process of implementation. It is particularly important that employers in the private sector should identify themselves with the new development so that they may be able to view the new Training Board as their instrument for conducting activities to promote manpower development and quality training to meet their established needs.

2.2.2 It follows that the interested groups mentioned above should now get together to work strategies for developing the needed training infrastructure, based on existing and developing institutions such as SCOT and SIMPA, and others that may be at the planning stages, envisaged to serve areas not presently covered.

2.2.3 Part of the fund proposed should then be one of the means by which that infrastructure and all other aspects of skills development and training in all the sectors should be provided for.

2.2.4 So that the provisions of the Act may be implemented both in fact and in spirit, the various sectors, with Government taking the necessary initiatives, should together work out a plan of action guided by a rational training policy, for cooperative manpower development programme serving all the sectors contributing to the growth of the national economy.

2.3 Zambia does not at all at the moment have a training fund, since monies collected through the Selective employment tax then go into regular Government revenue. Therefore the following observations have been presented:

2.3.1 In view of the key role of parastatals in Zambia, and the small size of the private sector, it is of vital importance that the parastatals should have the most efficient management possible. Effective and continuous training of the persons manning those institutions becomes a vital national issue.

2.3.2 To ensure that there is a self-sustaining means of financing that training at all times a national fund is proposed. That fund can only be considered national if the private sector, which also uses trained manpower makes its fair contribution to the costs involved. Thus Government (which at the moment bears the whole burden of the national skills development programme), the parastatals and the private sector should together contribute to the fund, arrange for its competent management and provide for the policy and guidelines needed for national training in the future.

2.3.3 It is noted that there has been some discussion at various official and other levels in Zambia on the possibility of introducing a training levy towards creating a training fund in order to enhance the national manpower development effort. It is considered that time is due for serious consideration of the issue by all employers to take place, leading to a decision on the introduction of a training levy and fund. A seminar/workshop is therefore proposed on the subject of the fund, to discuss such areas as the experience of other countries with levy systems, training for parastatals, training policies and a programme for future action.

2.4 **Nigeria** has an industrial training fund based on a simple formular for determining who is to pay. It covers all employers with 25 employees and above.

2.4.1 How much every employer pays is based on a standard percentage of the total payrol (i.e. 1%). The maximum reimbursement and employer can receive is 60% of his contribution.

2.4.2 40% of the total levy contributions goes into running the Industrial Training Fund, to making it possible for the ITF to promote training and provide important related services, and to Area Offices which bring the services of the ITF nearer the consumers.

2.4.3 There exists a Training Policy Statement, which provides guidelines for the national training activity and makes provision for the operations of the ITF. Most African Governments have fragmented statements in various documents issued from time to time on matters related to training, but they are rarely to be found in one integrated statement.

2.4.4 Nigeria's ITF is basically a sound system. A number of administrative problems regarding the collection of levies and processing of reimbursements have been observed and need to be looked into and streamlined accordingly.

2.4.5 ITF is a strong organization with great possibilities. However, it needs to ensure that it does not fall into the temptation of duplicating training programmes which, after initiation, would be better passed on to already existing competent institutions.

3. The third part of the study offers guidelines on how a country that does not have a training fund might approach the setting up of such a scheme.

4. Concluding Remarks

It is generally accepted that the effective manpower development programmes are necessary for social and economic development. Both the public and private

sectors of an economy need and constantly demand the right numbers of properly trainined personnel based on clearly established for the efficient operation of their institutions and the effective implementation of their development programmes needs. One would expect that, since the needs are felt equally by all employing sectors within the same economy, those employers would collaborate in developing a common programme to meet those needs.

It has been observed, however, that in the development of human resources, the main burden of bearing the costs of setting up, developing and maintaining the necessary institutions and educational and training programmes falls upon governments. In training, some segments of the private sector often express their unwillingness to use existing institutions, because, they urgue, the programmes offered are not relevant to/or not meet their specialized needs, and may not be up to the standards they require for their operations. Such organizations then resort to poaching trained staff from others, to bringing in expatriates to man sections of their operations, and sometimes to sending some of their personnel overseas for training. All these and other similar practices cannot be considered those of genuine partners in the national development activity.

True partnership would imply that all relevant parties would work together to institute, develop and ensure the success of the process by which needed trained manpower is made available to the economy. That would mean mutual participation in the national survey of manpower needs, establishment of personnel needs by sectors and the various sub-unit of those sectors, identification of training needs, organization and development of training facilities, and development, implementation and evaluation of training programmes according to declared needs and set standards.

Further the financing of these activities would be shared equitably by all the partners collaborating, just as they then must be jointly responsible for the management of the funds they have collected for manpower development, through some institutionalized machinery which is representative of/and accountable to all the collaborating partners. Ideally, then a national training council with a national directorate of training implementing its decisions, and managing a national training fund (by whatever names countries may choose to describe such institutions), will represent organizations set up and willingly funded by all the sectors which together make up the economy of the country.

The various parties cooperating, i.e. the civil service, parastatals and private sectors, could then be linked to a top management team of an organization, namely the national economic system, which believes in training and allocates adequate self-sustaining financial resources for it in the form of an identifiable training fund, and then through that fund and a suitable management machinery, proper monitoring and evaluation, ensures that the declared training objectives are being met towards the fulfilment of national socio-economic goals and objectives.

GUIDELINES FOR THE ESTABLISHMENT AND OPERATION OF A NATIONAL TRAINING FUND

1. Basic considerations and Issues

1.1 A National levy scheme towards creating a permanent training fund cannot be considered in isolation, it has to be viewed as an integral part of the machinery for the promotion, development and implementation of a planned human resources development programme. 'Human resources constitute the most precious commodity among factors of development: and the welfare of people is the ultimate goal of national development effort'[1]. A regular training fund would be the means of ensuring that a speedy action for its development through national training programmes was continuous and sustained at the desired level.

1.2 Training levies are a means of attempting to ensure that all employers and therefore consumers of trained manpower, contribute to the development of such manpower; a way of establishing a collaborative approach between the Government, parastatal organizations, and the private sectors in co-operative mobilization, management and use of funds in the development of the human resources they acquire between themselves.

1.3 Guidelines, source and authority

The Conference of Ministers responsible for Human Resources Planning, Development and Utilization, meeting at Monrovia during 5-7 October 1981, in its recommendations, gave basic guidelines to African Governments for approaches to African regional and national human resources development. Among the most important issues it considered should be taken into account were the following:-

1.3.1 Training Policy

It was imperative that governments should demonstrate their commitment to the importance of training by installing national clearly defined training policies to facilitate a planned, co-ordinated and integrated approach to human resources planning development and utilization. Such policies should emphasize the need for promoting greater consciousness and awareness of training in the various sectors of the economy and indicate how this might be achieved. It should stress and the close relationship between the offerings of training institutions and jobs requirements in effecting desired change, and adopting modern management concepts. Further they should institute the means for co-ordinating, monitoring and evaluating national training programmes. Moreover, they should insist that training be undertaken at all levels in both public and private sectors. Finally such policies should have the backing of legislative enactments.

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[1] 'The Monrovia Conference of Ministers responsible for Human Resources Planning, Development and Utilization'.

1.3.2 Administrative Structure

To implement governments training policies and ensure effective co-ordination and supervision of training activities, there should be set up within the centre of administrative structure an appropriate institutional and administrative machinery supported by advisory boards, which would include representatives from training institutions, professional associations and sectoral interests.

1.3.3 Staffing

Training officers should be carefully selected, provided with appropriate and adequate preparatory skills, and should be sufficiently highly placed within the organization to enable them to propose and introduce innovative ideas, influence policy, formulate courses of action, implement decisions, monitor training development and help in evaluating achievement.

1.3.5 Other important related issues are:

- developing enough training institutions to conduct training, research and consultancy services

- ensuring that there were enough trained trainers and training officers to meet the needs of these institutions, and to man public and private sector departments responsible for human resources development

- ensuring that the training conducted to meet the various needs of the diverse sectors was relevant to the work being done by them, that it met established quality standards, that it was responsive to new changes and developments, that it was a continous process, and was within the nations' ability to finance it on a self-sustaining basis.

2. Funding

'On the question of financing training, the Monrovia Conference stated:

> "Given the crucial importance of training and the scarcity of financial resources governments were urged to install adequate mechanisms to ensure sufficient and self-sustaining financial systems to support training in all sectors. Various funding options such as the training levy, surcharge, rebate, etc could be explored by Member States".

3. Strategy

3.1 Consultations towards a co-operative effort

A working team should be created to conduct national consultations on all relevant issues. It should be noted that the Monrovia conference referred to above did accept and commend the ECA project document on 'The Development of Training and Employee Career Planning capacity and capability in Africa' as a basis for

such national consultations. For effective contributions and eventual ownership of the decisions pertaining to the fund, the team should have representatives from all interested sectors in the world of work: employers, employees, manpower planning and labour ministries, existing training institutions, professional associations and other informed sources. In its operation, the team should, as may be found necessary, create specialized sub-committees to facilitate its work on the policy, administrative, and most important funding aspects of the training function. At the conclusion of its work, the team should make recommendations and proposals to Government on a training policy, machinery for the implementation of the policy, co-ordination of training activities, the development of training personnel to man and operate the training function and the setting up of an effective, equitable and self-sustaining funding system that truly belongs to the all cooperating sectors is managed by a machinery set up to represent all the consumers of human resources to serve their established needs at all levels.

3.? Policy Guidelines for Action

On acceptance of the recommendations, the Government would then announce and disseminate a National Training Policy, defining national training goals and objectives, with guidelines for translating the policy into an integrated plan and programme of action, and providing for the creation of the machinery for implementation, co-ordination, monitoring and evaluation.

4. Legislation

4.1 An Act to make provision for the regulations of the national training activity

The effective implementation of policies, plans, programmes and the related funding arrangements would require the passing of an Act of Parliament, providing for the regulation of the national training effort.

4.? The Act would provide for the setting up of an advisory National Training Council (or Board) with representatives from the groups indicated in paragraph 3 whose duties and responsibilities would be to mobilize financial resources and direct the national training activity in accordance with the national policy in the interests of ensuring an adequate supply of trained manpower for the national economy through efficient and high quality training.

4.3 The Act would provide for the introduction of a comprehensive training levy which would draw contributions from all employers using trained manpower, leading to the creation of a national training fund. The fund would be administered by the Council. The larger part would be used for reimbursements and the other part would finance the recurrent and development activities of the Council and its Directorate.

4.4 The Act would also make provision for the establishment of a National Directorate of Training (or a similar body) to implement the decisions of the National Training Council.

5. The role of the Directorate

The Directorate would develop an efficient system and machinery for the collection of the training levy, reimbursing employers for approved training undertaken, certifying institutions and programmes to benefit from the Fund, and for making grants and other payments authorized by the National Training Council. It is important that the National Directorate of Training should have enough financial and expert human resources, mainly obtained through the fund itself, to enable it to develop the training structure to carry out creative activities directed towards the improvement of the national training system as a whole. Such activities should include:-

- co-ordinating national training programmes
- developing and maintaining a roster of training institutions in the country
- carrying out inspection and supervisory duties related to the work of training institutions, both public and private, advising on standards, expansion of training facilities and the creation of new ones to meet growing and new demands for training at all levels, both industrial and rural, researching into ways and means of ensuring that training takes place at every centre of socio-economic activity and at every point of exit from the education system.
- providing consultancy services in training matters to both public and private sectors
- keeping abreast of training activity in the African region and advising the Council on areas of intergovernmental co-operation in setting up training facilities and schemes in the training field
- conducting guidance session and workshops for organizations on the training function and the effective use of the National Training Fund.

6. Learning from past experience

6.1 Visits to study other levy schemes

It is important in considering the introduction of a training levy system, that African Governments should learn from past experience, so that deficiencies onserved in existing systems may be minimized and if possible avoided altogether. Once a decision has been reached that a national training fund should be established a delegation representing the various sectors should visit a number of selected African and Latin American countries to study how various levy systems operate and

thus observe first hand some of the benefits and problems related to existing schemes. The visits could also include developed countries like the United Kingdom and Japan. Such an approach would appear to be a better way of transferring experience that requesting some international agency to come and install a new system into a country.

The machinery for the implementation of the provisions of the Training Act could be hampered by shortage of financial resources, inadequate staffing and bureaucracy. Under such circumstances, it would be inefficient in the collection and reimbursement of funds and in exercising its controlling functions, and it would not be in a position to co-ordinate training activities and evaluate training programmes, let alone provide leadership and innovation in training matters. On the other hand, too much autonomy or having more than its fair share of resources could lead to the organization concerned embarking on expensive experiments or being tempted to indulge in activities which might not only duplicate the work of other institutions but be wasteful of resources.

7. A Model of Efficiency

A Directorate of National Training should strive to be a model of efficiency, since it has been created to meet needs related to efficient and effective performance. It therefore must have adequate financial and human resources in order to fulfil its mandate, and should have and be capable at all times of self-evaluation and self-renewal to meet every-charging needs and challenges.

E/ECA/PAMM/HRP/84/9
Appendix I

MINISTRY OF LABOUR

Directorate of Industrial Training
P.O.Box 74494
Nairobi

January 3, 1983.

Ref: DIT/ITA/30/ VOL II/(709)

To all Employers

Re: 1982 APPROVED TRAINING GRANTS

We are pleased to inform you that the 1982 Grants have been approved by the Council as recommended by the Training Committee under which your Industry falls. As usual it is our intention to start processing the claims as soon as the deadline set is reached which is much earlier than any other time in the past years. In this connection we would implore all the claiming Employers to ensure that their claims are submitted to this Directorate within the stipulated period.

We would like to impress upon the claimants to bear in mind the following points in submitting their claims:-

i) All supporting documents of expenses incurred must of necessity accompany the claims e.g. Official receipts.

ii) You must follow strictly the grants schemes approved for your Industry.

iii) Registration members of the apprentices both Craft and Technician and the year they are in i.e. first year, second year, 4th year should be clearly indicated.

iv) Duration of the courses and the Institutions attended. Salaries of registered apprentices are only claimed while the apprentices are on residential courses only. Hence, importance of indicating the duration of the residential course.

v) For Overseas and Management Courses, quote in the appropriate column, letter(s) of authority from the Directorate allowing your firm to send students Overseas and to use Consultancy firms for the management courses.

vi) Submit your claim as neatly as possible and in the appropriate form only. In case the forms sent to you are not sufficient you can reproduce your own copies.

All the claims for 1982 must be submitted between now and March 31st, 1983. After that date, the processing exercise will commence and we envisage to clear the claims by June 1983.

Once again, we appeal to all Employers to give us maximum co-operation to enhance the processing of the claims, and eventually making payments to you in good time, especially during the current economic hardships being experienced by all.

Lastly, we want to re-emphasize that the claims which will be received late will not be accepted.

(D.M. KABUTHU)
FOR: DIRECTOR OF INDUSTRIAL TRAINING.

TRAINING GRANTS FOR 1982

SAWMILLING, TIMBER, FURNITURE AND ALLIED INDUSTRIES TRAINING COMMITTEE:

i) Full wages of apprentices during attendance at an approved training Institution.

ii) Full course and examination fees incurred by apprentices.

iii) Full Hostel charges at the residential Institutions or Kshs.100/- per day when an apprentice makes his/her own accommodation arrangements provided that no accommodation is available where the residential courses are run, and the apprentice does not normally live within the area of the Institution is situated during the normal working days.

iv) Cost of approved tools, and approved text books supplied to the apprentices. An overall to be supplied annually.

v) Annual Grant for training facilities offered by Employers.

CRAFT APPRENTICES:

1st year	Shs.5,500/- per apprentice
2nd year	Shs.4,500/- per apprentice
3rd year	Shs.3,500/- per apprentice
4th year	Shs.2,750/- per apprentice.

TECHNICIAN APPRENTICES:

1st year	Shs.6,000/- per apprentice
2nd year	Shs.5,000/- per apprentice
3rd year	Shs.4,000/- per apprentice
4th year	Shs.3,000/- per apprentice.

vi) Payment of wages during attendance of approved full training programmes for employers with their own approved training Institutions as if the apprentices were in training Centres under the D.I.T. or the polytechnics, under the Ministry of Higher Education as the case may be.

vii) One return fare by bus or 2nd class train for each apprentice when required to attend an approved residential course.

viii) Cost of accommodation offered by the Employers on the same lines as (vi) above.

TRAINING GRANTS FOR 198?

MANAGEMENT AND SUPERVISORY COURSES: COMMON TO ALL INDUSTRIES

Name of Institution	Amount of Fees to be Reimbursed	subsistence Allowances	travelling Expenses
Kenya Institute of Adm.	Full	Full	one 2nd class return ticket.
Maseno Government T.I.	"	"	"
Govt. Secretarial College in Nairobi	"	"	"
Kenya & Mombasa Polytechnics	"	"	"
University of Nairobi	"	"	"
Mombasa Government Training Institute	"	"	"
Strathmore College	"	"	"
Egerton College, Njoro	"	"	"
E.S.A.M.I. (Arusha)	"	"	"
Kenyatta University College	"	"	"
Other Govt. Institutions	"	"	"
Kenya Institute of Management	upto Ks. 3,000/-100/- per course week.		
Consultancy Courses and approved in company training	upto Ks.3,000/-00/- per course week.		

CORRESPONDENCE COURSE:

These will be considered for those who pass Nationally recognized examinations in accordance with the current Government rate and regulations. It is emphasized that the entire examination must be passed and not merely parts of the examinations.

Seminar courses to be considered on prorata basis, but the courses should have the approval of D.I.T. before they are undertaken to qualify for reimbursements.

N.B. CONSULTANCY COURSES:

Employers are required to submit details of such courses at least one month in advance to enable the Directorate to scrutinize the details for approval or otherwise. Employers may not, therefore, embark on Consultancy courses till they obtain written approval from the Directorate. In case of emergency, approval in principle should be sought and be followed by a letter.

Top Management or Advanced Course run by K.I.M. as a residential course to be subsidized at the rate of KShs.6,000/- for the period. (One year only).

A. GUIDELINES FOR OVERSEAS COURSES:

i) Prior permission must be obtained from the Directorate before Employers send their employees for Overseas Courses.

ii) Objectives of undertaking the courses, details of the contents of the courses whether or not the courses will lead to recognized Certification e.g. Degree, Diploma or certificate of attendance, duration of the courses, designation of applicants and their qualifications must be given in the application to the D.I.T.

iii) The courses to be taken in foreign countries must be those which are not locally available.

iv) The approximate cost of the courses to be undertaken must be given.

v) Those to be considered must be Kenya Citizens.

vi) Short courses and seminars do not qualify for reimbursement although very special cases will be considered on their own merits.

B. REIMBURSABLE ITEMS:

i) Tuition fees charged by the Institutions.

ii) An element of winter clothes applicable in accordance with the allowances given to Government sponsored personnel who attend courses overseas.

iii) One way economy Air Ticket to the Country the course is to be taken.

iv) Accommodation expenses in accordance with the rate offered to Government employees who attend such courses. The rates are reviewed from time to time.

v) Cost of books and Literature prescribed for the courses which must be verified by the Institutions offering the courses.

MINISTRY OF LABOUR

DIRECTORATE OF INDUSTRIAL TRAINING

NOTE: i) TO BE SUBMITTED IN TRIPLICATE
ii) APPLICABLE TO CRAFT/TECHNICIANS ONLY
iii) SUPPORTING DOCUMENTS TO ACCOMPANY CLAIMS e.g. RECEIPTS

EMPLOYERS NAME.....
EMPLOYERS REG. NO.....
CLAIM FOR THE YEAR 19.....

TRAINEE(S) FULL NAME	DATE OF REG.	REG.NO APPRE.(S)	DESC. OF COURSE	INST. ATTENDED	DATES FROM TO	NO. OF WEEKS	RATES MONTHLY WAGES KS.	COURSE EXPENSES EXAM ACCOM, TRAV. FEES PAID	TOOLS BOOKS ALL ETC	STATE WHETHER 1,2 3rd YEARS APPRENTICES(S)

THE SUMMARY OF INCOME AND DISBURSEMENTS PER INDUSTRY

	BALANCE B/F	INCOME	PAYMENTS	PERCENTAGE OF INCOME UTILIZED	BALANCES AVAILABLE
Building Eng.	5,541,476.60	3,831,091.60	1,275,650.15	33	8,096,877.55
Motor Eng.	2,092,203.10	1,349,730.50	1,891,895.20	140	1,550,038.40
Printing	2,244,994.75	434,399.30	186,540.80	43	2,492,853.25
General Eng.	991,324.05	580,478.95	404,363.75	70	1,167,439.25
Power Tel.	1,397,236.40	611,156.80	90,346.00	15	1,918,037.20
Saw Milling	2,635,398.15	580,339.45	11,013.70	2	3,204,724.90
Plantation	259,733.95	495,608.65	102,588.20	21	652,754.40
Textiles	10,673,699.50	2,767,240.10	918,271.75	8	13,222,667.85
Chemicals	6,062,434.60	1,494,928.40	256,367.20	17	7,300,995.80
Food Proc.	6,557,656.45	1,630,581.45	854,517.00	52	7,333,720.90
TOTAL F SH.	33,456,147.55	13,775,514.70	5,291,552.75	38	46,940,109.50

Appendix III

INDUSTRIAL TRAINING FUND

MANPOWER TRAINING AND DEVELOPMENT PROGRAMMES 1983

MONTH	ABA	BENIN	CALABAR	IBADAN	ILORIN	JOS	KADUNA	KANO	LAGOS	PORT-HARCOURT
February	TRAINING FUNCTION 23 - 24	TRAINING FUNCTION 17 - 18		TRAINING FUNCTION 7 - 8	TRAINING FUNCTION 14 - 15		TRAINING FUNCTION 21 - 22		TRAINING FUNCTION 24 - 25	TRAINING FUNCTION 28/2-1/3/83
March		INDUSTRIAL SAFETY TRAINING 14 - 25	TRAINING FUNCTION 3 - 4			TRAIN-THE TRAINER 14 - 18	BASIC SECRETARIAL DUTIES COURSE 21 - 25	TRAINING FUNCTION 16 - 17	BASIC SECRETARIAL DUTIES COURSE 14 - 18	
April	INDUSTRIAL SAFETY TRAINING 25 - 29		PUTA 11 - 22	INDUSTRIAL SAFETY TRAINING 4 - 8		TRAINING FUNCTION 11 - 12		BASIC SECRETARIAL DUTIES COURSE 25 - 29	TRAIN-THE TRAINER 18 - 22	
May	BASIC SECRETARIAL DUTIES COURSE 23 - 27	INDUSTRIAL SAFETY TRAINING 4 - 8					DEVELOPMENT OF TRAINING PERSONNEL 2 - 27			BASIC SECRETARIAL DUTIES COURSE 16 - 20
June	TRAIN-THE TRAINER 13 - 17		BASIC SECRETARIAL DUTIES COURSE 6 - 10		BASIC SECRETARIAL DUTIES COURSE 13 - 17	IN-PLANT TRAINING FOR TDOS 6 - 17		INDUSTRIAL SAFETY TRAINING 6 - 10	TRAIN-THE TRAINER 13 - 17	
July	TRAINING FUNCTION 4 - 5	TRAIN-THE TRAINER 4 - 8		BASIC SECRETARIAL DUTIES COURSE 25 - 29		BASIC SECRETARIAL DUTIES COURSE 11 - 15	INDUSTRIAL SAFETY TRAINING 18 - 22		BASIC SECRETARIAL DUTIES COURSE 11 - 15	TRAINING FUNCTION 18 - 19
August			TRAINING FUNCTION 1 - 2		TRAINING FUNCTION 29 - 30	TRAINING FUNCTION 22 - 23	TRAINING FUNCTION 8 - 9	TRAINING FUNCTION 15 - 16	DEVELOPMENT OF TRAINING PERSONNEL 1 - 26	
September	PRODUCTIVITY WORKSHOP 5 - 23	BASIC SECRETARIAL DUTIES COURSE 5 - 9	TRAIN-THE TRAINER 26 - 30	TRAINING FUNCTION 12 - 13			TRAIN-THE TRAINER 5 - 9	BASIC SECRETARIAL DUTIES DUTIES COURSE 19 - 23	TRAINING FUNCTION 5 - 6	INDUSTRIAL SAFETY TRAINING 26 - 30
October	BASIC SECRETARIAL DUTIES COURSE 3 - 7			TRAIN-THE TRAINER 3 - 7	INDUSTRIAL SAFETY TRAINING 17 - 21		BASIC SECRETARIAL DUTIES COURSE 17 - 21	TRAIN-THE TRAINER 3 - 7	INDUSTRIAL SAFETY TRAINING 3 - 7	
November		TRAINING FUNCTION 7 - 8				BASIC SECRETARIAL DUTIES COURSE 14 - 18			INSTRUCTIONAL TECHS. COURSE 31/10-11/ 11/83	BASIC SECRETARIAL DUTIES COURSE 14 - 18

085-457

INDUSTRIAL TRAINING FUND

POLICY STATEMENT NO. 1 TRAINING POLICY

1. Introduction:

The Fund was set up under Decree No.47 of 1971, and its aim is to promote and to encourage the "acquisition of skills in industry and commerce with a view to generating a pool of indigenous trained manpower sufficient to meet the needs of the economy". To finance the scheme, the Decree provides for contributions on the part of employers, and for subventions on the part of the Federal Government. The Federal Government has indicated that it will make available to the Governing Council of the Fund, the sum of N1,000,000 (£500,000) during the Plan Period, 1970-74.

The Governing Council of the Fund has decided that contributions by employers will be disbursed for the development and support of training programmes. Consequently, the Fund will bear part of the cost incurred by employers in training their employees by providing them grants for courses undertaken. Employers should note, however, that grant payments are only a part of the general availability of trained and mobile manpower throughout the economy, the prompt attention and guidance of the training advisers of the Fund, and the access to the wealth of information and expertise which the Fund will build up over the years.

2. The Governing Council of the Fund:

A Governing Council of twenty-two members has been appointed by the Federal Commissioner for Industries to manage the Fund. Members of the Council are drawn from the public and private sectors and reflect the co-operative spirit of the enterprise - the need for private employers, organized labour, and the providers and users of training to co-operate in identifying training needs and devising training policy and systems.

Ten of twenty-two members of the Council are drawn from the public sector and the Decree requires that the Vice-Chairman of the Council be elected from among members drawn from the private sector. The Nigeria Employers' Consultative Association and the various Cambers of each, while Trade Unions have four representatives. By this arrangement, private employers and workers are accorded a special place in the new training organization.

3. The System:

The Support Machinery for Training

The Fund will support training in several ways, including:-

i) bearing a proportion of the direct costs of in-service training carried out by employers;

ii) assisting and/or strengthening training capability and facilities throughout the country;

iii) directly building up training facilities of its own;

iv) organizing research and studies into training as a support to other activities of the Fund.

Direct Training Costs:

The Fund will subsidize the cost involved in on-the-job and off-the-job training of Nigerian workers undergoing approved training courses. An "approved training course" is a course so defined by the Training and Research Committee of the Fund after satisfying itself that the course-content and curriculum meet the requirement and standards set by the Committee through syllabuses, etc. Prescribed forms for individual courses will be completed and then submitted by employers sponsoring their employees for courses for which they intend to seek the assistance of the Industrial Training Fund.

Training Procedures:

As a larger part of training under auspices of the Fund will be of an in-service nature, the role of employers in determining the training needs in the work-force is considered crucial. Employers will continue, to a considerable extent, to determine the training needs of individual employees and the relevance of such training to the work progress in the establishment. The Governing Council of the Fund will, however, for those course attracting its support, ensure that the needs for specific training exists, that training standards are maintained, that the course-content is relevant to the needs of the industry and the economy, and that in certain cases the programme, syllabus, curriculum approved by the Council or its Training and Research Committee, are met.

Assessment of Training Requirements:

The involvement of employers in deciding training requirements will ensure that training is purposive and that most trainees take up or return to jobs immediately after training. The Fund, however, retains its responsibility to ensure that training carried out with its assistance is decided on the basis of identifiable needs in the economy generally. For this purpose, the Fund will set up a small advisory unit which will collaborate and liaise with the Secretariat of the National Manpower Board in identifying the manpower needs of the economy on the basis of sectors of industrial activity and occupational categories and determining the implications for training. At the national level, it will be necessary that training is so rationalized as to ensure that the training effort does not by itself accentuate unemployment problems.

Training Content and Standards

Initially, the Fund will adopt and support training under existing syllabuses and curricula. Ultimately, however, the Fund will seek to evolve flexible systems suitable to the needs of the Nigerian economy. Under the guidance of the Training and Research Committe and its sub-committees, curricula and syllabuses will be built up for the use of employers and trainers. For this purpose, the Fund will have a specialist unit charged with the responsibility of researching into techniques and methodology, their adaptation to local conditions, and the evolvement of relevant training techniques, methodology, curriculum and syllabus for wide or specific use in industry and commerce. Ultimately, compliance with the governing recommendations and standards of the Fund will be a condition attracting the support of the Fund.

Teaching Aids:

The Fund will embark on a continuing programme of research and development of teaching aids and will assist employers and trainers by making avilable the results of such research. To effectively improve the quality and volume of training for skills, the role of the Fund will be interpreted in terms of developing training infrastructure and strategy backed by intensive research and the introduction of innovations for accelerated training. Jobs will be analysed, syllabuses and curricula built up, and training manuals and aids prepared.

Selection of Trainees:

It has been indicated earlier that employers have a crucial role in determining the areas of in-service training and selecting the individual workers for such training. The duty of the Governing Council of the Fund to set standards for training courses that will attract its support implies however that the number, status, grade or pre-training qualifications of trainees, are set or approved by the Fund.

For certain courses, the Fund will establish minimum standards to ensure that trainees under the Fund are trainable materials and are being trained with eye-on-job suitability.

In certain circumstances, the Fund will sponsor the training of persons not yet in employment. Those cases include where the anticipation of new industries calls for training in new technology or where the training facilities within industry are not adequate for training needs in the short term. In such circumstances, the Fund will ensure that training has an employment objective. Candidates selected for such training will normally meet the minimum requirements set by the Fund.

To support the selection process the Fund, may encourage the development of counselling and guidance services and aptitude testing.

Trainers:

One of the crucial requirements for the massive training effort of the Fund will be trainers. The Fund will embark on a programme of training trainers who will be direct employees of the Fund. At the same time, the Fund will encourage employers to appoint direct full-time training officers/instructors. The Fund will assist employers in the training of such trainers/instructores. For establishments having approved training schools or in-plant training facilities, the Fund may contribute to the cost of hiring trainers and instructors.

The Fund will encourage the growth of training consciousness by improving the status of trainers and instructors, supporting the development of training and development institutions and by sponsoring conferences or seminars of trainers and training specialists for the purpose of exchanging views on development on the training scene.

4. TRAINING INSTITUTIONS AND FACILITIES

Industrial Training Fund Centres:

Where the need is identified, the Fund may directly set up and run its own training centres for the training and upgrading of employees selected from among the nominees of employers or from the open selection process of the Fund. Nominal fees will be charged.

Employer-Owned Training Institutions:

The Fund has a responsibility to help develop and strengthen training institutions within establishments. In this connection, a selective policy will be adopted to ensure that such support goes to credible or approved institutions. Accordingly, the strategy of the Fund to training institutions owned by employers will be as follows:-

i) In-Company Training Programmes

For each employer in this category owning and running programmes within the establishment, the Fund may appoint a training official to liaise with the company' training officer, and such companies will be required:-

(a) to prepare for the prior approval of the Fund's Training and Research Committee the annual training programmes within the training institutions;

(b) to prepare for the approval of the Fund the financial estimate of the training programmes;

(c) to direct and supervise the training programmes approved by the Fund;

(d) to ensure that funds made available for training are properly utilized to meet the objectives of the Fund.

Only claims based on approved training programmes will be entertained.

ii) Trade-Group Training Programmes:

To encourage greater involvement of employers, particularly small employers, in the organization and direction of training, the Fund will encourage the establishment of training centres by groups of employers in certain areas of economic activity. In such cases, the groups will enter into Group Training Programme Agreements with the Fund. The cost of the physical assets and facilities for a Group Training Programme Centre will be jointly borne by the Fund and the members of the Group, subject to a limit of 40% liability for the Fund.

Training programmes for the institutions as well as estimates of training costs should be submitted for approval to the Fund three months before the beginning of each accounting/training year of the Fund. The institutions should be at all times open to the inspection and surveillance of Fund officials.

Formal Training Institutions:

The Fund will seek to harmonize its training efforts and support with the activities of these training institutions as well as utilize their facilities for sandwich courses, etc. With the emphasis on the training of craftsmen through apprenticeships and other less expensive and less formal systems, the role of Trade Centres in particular will have to be rationalized against the background of new developments in the training situation in the country.

5. GENERAL CONDITIONS RELATING TO GRANTS

Grants may only be made if the following conditions are satisfied:-

i) Claims for grants may only be entertained after a company has incurred the cost in question

ii) Claims may only be made on the prescribed forms issued by the Fund and are payable to leviable employers not employees.

iii) Training programmes for all courses for which claims are made must accompany the claim forms submitted to the Fund. For on-the-job training, prior approval of the training programmes by the Fund is also a basic requirement for consideration of claims for grant.

iv) The relevance of the training for which a claim is made to the need of the trainee and of the firm and the cost-economy and effectiveness of the training are basic conditions for the payment of grants.

v) For areas of training and further education where the Fund has approved and published training recommendations, compliance with such recommendations, which will allow sufficient flexibility and adaptability, will be a condition of grant approval. Equally, for on-the-job training, compliance with the programme as approved or modified by the Fund will be a condition for grants.

6. MANAGEMENT AND SUPERVISORY TRAINING

The Nigerian Council for Management Education and Training supported by the Centre for Management Development is responsible for policy-formulation and the co-ordination of the various management and supervisory training effort in this area to ensure the relevance of courses to needs, that courses are not duplicated, and are provided economically.

The Industrial Training Fund may consider and approve applications for subventions and grants needed to augment the training facilities of existing institutions, on the recommendation of the Nigerian Council for Management Education and Training.

Employers proposing to sponsor employees for off-the-job management development courses should ensure that such courses are approved by that Council.

For the purpose of a management training grant, a 'manager' is described as an employee whose responsibilities include setting objectives, implementing policy decisions, organization and planning and the general direction of operations for the company, or a division of the company.

Supervisors are distinguished from administrative managers by their responsibility for actual overseeing, inspection and direction in the area of operation. They include second-line supervision (e.g. foreman) who direct the supervisory link and are immediately below management (e.g. assistant foreman and chargehands) and working supervisors who combine supervisory duties with operative duties and have limited formal authority. The supervisor is concerned with the quality, quantity and cost-effectiveness of the product or service. The Fund will not consider claims for participation at normal operational meetings dealing with a company's plans and operations; grants will only relate to exercises with specific training relevance.

7. PROFESSIONALS, TECHNOLOGISTS AND OTHER SPECIALISTS

Grants may be made for this category of employees for the following purposes:

i) Post-qualification apprenticeship;

ii) Sandwich Courses; and,

iii) Block or Day Release Courses leading to membership of a recognized professional body.

8. CRAFTS APPRENTICESHIP COURSES

Apprenticeship is described as training for occupations in the category of skilled crafts and trades requiring a wide and diverse range of skills, knowledge, and experience and independent judgement. Programmes consist of on-the-job training and work experience with related instruction in the theoretical aspects of the job. A basic assumption in an apprenticeship is that the skill of the apprentice on the job improve steadily during the period of a well-programmed training and his productivity pays for part or all the cost of training. The Fund takes account of this progression in determining grant to employers sponsoring apprenticeship schemes.

The following conditions are required before grants claims are considered for an apprenticeship:-

i) The trainee should not be less than sixteen years of age.

ii) The trainee must have certified proof of literacy.

iii) The trainee should have been registered with the juvenile or adult Employment Exchange of the Ministry of Labour and must have been selected by the employer or the ITF from among the candidates referred to them by the Exchange.

iv) There must be an approved schedule of work processes and organized instruction design on which the trainee is to receive training and experience on the job. The Fund will ultimately provide schedules on which employers may flexibly base training, but until such schedules are available employers will be required to prepare schedules for the approval of the Fund prior to the start of the training.

v) The employer must adopt an increasing schedule of wages for apprentices as approved by the Fund.

vi) An agreement of apprenticeship must be entered into and a copy deposited with the Fund. The Fund will prepare draft agreements for general use, but until these are provided, agreements between employers and apprentices should be submitted to the Fund for scrutiny and approval. An agreement should include the following details; home address and birthday of apprentice; name of employer; period of apprenticeship; wage schedule; length of probationary period; any credits from previous training or trade experience, and the signature of the employer and the apprentice. The first three months of apprenticeship are regarded as a probationary period by the Fund; a trainee's continuation on apprenticeship after this period will depend on a satisfactory report of performance during the period of probation.

vii) Proper records must be maintained on the programme.

viii) The training programme should aim at a standard or qualification approved or set by the Fund.

The Fund will provide certificates to trainees on the satisfactory completion of an apprenticeship programme.

9. OPERATIVE AND SEMI-SKILLED WORKERS

The Fund will consider claims for the training of operatives and semi-skilled hands.

10. TRAINING OF TRAINING STAFF

The Fund places great emphasis on the training of training officers and instructors. A training officer assists management in identifying training needs and formulating and implementing training programmes to meet these needs. A training officer, for the purpose of this section, may be part-time and have other assignments outside those defined. An instructor is engaged full-time or part-time in teaching workers on an organized programme of training - on or off-the-job. Informal instruction as part of normal operational work is not regarded as constituting training for this definition. In recognition that certain small-sized firms cannot employ full-time instructors, the Fund may consider claims in respect of employers who spend only part of their time on training duties.

Grants for the training of training officers are for training in (i) the administration of training activity and/or (ii) training techniques methods. Grants can only be claimed if the training programme had been submitted to and approved by the Fund prior to the start of training.

11. SAFETY TRAINING

Safety training includes training aimed at preventing industrial accidents or training in first-aid and fire-prevention. Grants may be considered for such training.

12. TRAINING IN OTHER AREAS

Applications for any other areas not listed above may be made to the Fund by employers in circumstances where they consider that claims are valid. Such claims will be considered on their merit.

13. ON-THE-JOB TRAINING

Generally in on-the-job training, the following conditions should be met:-

a) the training takes place in the job environment in which the trainee will work at the end of this training;

b) the trainee works with equipment and materials which he will use at the completion of training; and,

c) the job procedures are the same as will obtain after training.

As on-the-job training may vary from an extremely structured to a very unstructured or informal training system, the Fund requires that all programmes of on-the-job training on which grant claims may be made should be cleared with the approval of and be approved by the Fund prior to the start of training. The Fund will ensure that programmes have definite training objectives and are formulated on the basis of an analysis of the job in question. The analysis should include a breakdown of the job into processes and steps for specific tasks and establish evaluation methods for measuring the progress of trainees.

The Fund recognizes that, because of the variations in actual personnel and training situations, small - and medium-sized firms are more likely to rely on on-the-job training than large-sized firms. Accordingly, for on-the-job training, the grants system approved by the Fund recognizes this fact.

The general conditions for grants are:-

i) that the training programme is cleared and approved by the Fund prior to the start of training;

ii) that the Fund is satisfied that the instructors to implement the programme are competent to instruct;

iii) that training for which claim is made must cover a whole working day or series of working days not necessarily consecutive. In exceptional cases, the Fund may accept training carried out in series of sessions of less than a whole day's duration for which purpose a total of eight hours will make up a day. In cases where training runs concurrently or is sandwiched between normal operations, the Fund has the discretion to decide what proportion of the total time spent is attributable to actual training.

14. OVERSEAS COURSES

The programme for an overseas course for which grant claims may be made must be approved by the Fund before training is undertaken. Where approved, the certificate or letter of approval will indicate the portion of the total costs which the Fund may bear.

Programmes for overseas training stating venue, syllabus, objectives, level of participants, period of course, course sponsors, source of financial support if any, course fees and other expenses, should accompany applications seeking Fund approval. Employers making such applications should specify the amount of support they seek from the Fund. At the end of the course, it will be the obligation of the employer to attach to his claim for grant a report of attendance by the course organizers.

15. INDUSTRIAL EXPERIENCE FOR STUDENTS

Except in exceptional circumstances the Fund will not be directly involved in formal education. Great empahsis will be placed on assisting certain products of post-secondary school system to adopt or orientate easily to their possible post-graduation job environment. The Fund will seek to work out a co-operative machinery with industry whereby students in institutions of higher learning may receive training in industry or commerce compatible with their area of study. The Fund will support such mid-career attachment by contributing to the allowances, etc, payable to students. These allowances will not be paid direct to students by the Fund but will be paid to organizations approved for providing the appropriate training.

16. CONCLUSION

The Governing Council of the Fund has directed that the foregoing statement be issued for the guidance of employers without prejudice to any review of policy that may be necessary from time to time.

Persons officially met during Mission

KENYA

Mr. S. Odera - Oteng', Director
Directorate of Industrial Training

Mr. D.M. Kabuthu, Under-Secretary
Directorate of Industrial Training

Mr. R. Kombo, Chief Executive Officer
Federation of Kenya Employers

Mrs. P.W. Macharia, Assistant Director of Higher Education (Technical and Applied Education)

Mr. John W. Punde Owigar
Senior Education Officer
Harambee Institute of Technology
Ministry of Higher Education

Mr. A.K. Kibebe, Senior Education Officer
Polytechnics Education

SWAZILAND

Mr. Dlamini E.V.	Secretary to the Cabinet
Mr. S.J.S. Sibanyoni:	Head of the Civil Service and Director of Personnel Management
Mr. J.D. Mqomezulu:	Deputy Director, Directorate of Personnel Management
Mr. J. Ziyane:	Principal, SIMPA
Mr. S.B. Malinga:	Assistant Secretary Ministry of Commerce, Industry, Mines and Tourism
Mr. R. Nxumalo:	Deputy Labour Commissioner
Mr. Mabili Dlamini:	Assistant Secretary Training and Localization Division Deputy P.M. Office.
Mr. D.D. Mtetwa:	Deputy General Manager (Project) Tibiyo
Mr. A.A. Mamba:	Deputy General Manager (Administration) Tibiyo
Dr. Pocock:	Financial Advisor, Tibiyo
Mr. S.M. Masilela:	Commissioner for Income Tax
Mr. Simon M. Pefile:	Regional General Manager Swaziland Breweries Ltd.
Mr. Leonard Lukele:	Principal Swaziland College of Technology (S.C.O.T.)

ZAMBIA

Mr. M.S. Mwale:	Assistant Director National Commission for Development Planning (NCDP)
Mr. A.K. Mukela:	Under Secretary Ministry of Higher Education
Mr. P. Milimo:	Assistant Secretary (International Co-operation and Technical Assistance)
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Mr. O. Aladegbane:	CMD
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